

**INFLUENCE OF SELF-LEADERSHIP AND ENTREPRENEURIAL ORIENTATION TOWARD PERFORMANCE MEDIATED BY ORGANIZATIONAL COMMITMENT**

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**Abstract:**

This study aims to analyze and explain the effect of Self-Leadership, and Entrepreneurial Orientation on Organizational Commitment. Simultaneously, the paper analyzes the effect of Self-Leadership and Entrepreneurial Orientation on Performance. Secondly, to the influence of Organizational Commitment as well as Self-Leadership and Entrepreneurial Orientation on Performance. The number of samples in this study were 153 consist of small and medium enterprises. Structural Equation Modeling (SEM) were used in this study. The results showed that Self-Leadership and Entrepreneurial Orientation influences Organizational Commitment. Self-Leadership and Entrepreneurial Orientation affect Performance. Organizational Commitment influences, Performance. Self-Leadership and Entrepreneurial Orientation influences Performance through Organizational Commitment.

**Keywords:**

Entrepreneurial Orientation, Organizational Commitment, Performance, Self-leadership, SME's



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**INTRODUCTION**

Small and Medium Enterprise (SME) in Indonesia became one of the booster for the national economy, especially after the crisis hit Indonesia in 1997. Kusbiantono et al. (2005), Tambunan (2006), and Agustina (2010) revealed that one of the advantage of SMEs is the enormous absorption of labor to work in this sector. In general, SMEs do not require certain educational qualifications in carrying out their business activities. According to Hidayat (2013) SMEs in Indonesia has contributed to the National Gross Domestic Product (GDP) in 2012 by 10%, which is targeted that the contribution of SMEs can reach 50% by 2025. The Ministry of Industry has also directed that SMEs in Indonesia have competitiveness to face global competition. Competitiveness is an effort that must be done by businesses / economists in order to survive in competitive and dynamic business environment. This term is easy to express and become main program from the government, but this term is a big problem for economic actors, especially SMEs (Watto et al, 2020). They perceived that competitiveness requires "fundamental changes and specific strategies". Competitiveness requires a level of quality human resources, advanced technology, sufficient capital, and a conducive environment. Wiyadi (2009) showed that current condition of the business environment that changes radically, directs every industry to be efficient in order to be able to compete with domestic products. SMEs must be able to offer good quality products at low prices to consumers.

In the competitive era of Small and Medium Industries, leadership with better roles and responsibility are needed compared to the leadership of its predecessor. According to Terry (Winardi, 2000: 56) leadership is a relationship in which one person influences others to want to work towards achieving certain goals. The relationship between the leader and follower is not a one-way relationship, but there must always be an interaction. Effective leadership depends on a solid managerial foundation. According to Timpe (Umar, 2001: 31) there are five solid leadership foundations: how to communicate, providing motivation, leadership abilities, decision making, and positive power. A leader must be able to influence his group to be able to carry out his duties as a good leader (Saputra et al, 2018).

Based on this phenomenon, leadership that needed to be able to face challenges today and the future is leadership that focuses on members of the organization or employees who are able to lead themselves. This leadership is Self-leadership. According to Manz and Sims (1990: 4) "Self-leadership is a leadership approach to empowering others to lead themselves." Small and Medium Enterprises engaged in the metal sector must certainly prioritize the sustainability of the company's operations so that the need for professionalism of human resources capable of realizing a company that is oriented towards entrepreneurship or entrepreneurial orientation. Entrepreneurial action is seen as an important pathway for competitive advantage and improvement in organizational performance of all types, sizes, and ages (Brown,

Davidsson, and Wiklund, 2001; Covin, Slevin, and Heeley, 2000; Kuratko, Ireland, and Hornsby, 2001). Evidence has shown that organizations that learn how to facilitate entrepreneurship in various forms are more competitive and perform better than those who do not practice it (Zahra & Covin, 1995). Some even believe that the lack of attention on the implementation of entrepreneurship in a fast and complex business environment will result in failure (Zahra, 1999). Miller (1983) stated that entrepreneurial orientation as an orientation to be first in terms of innovation in the market, having an attitude to take risks, and being proactive towards changes in the market. Miller and Friesen (1983) stated that companies that have a strong entrepreneurial orientation will have the ability to innovate more strongly than other companies. Meanwhile Lumpkin and Dess (1996), stated that companies that have a strong entrepreneurial orientation, would be more willing to take risks, and not just stick to past strategies. In a dynamic environment, entrepreneurial orientation is clearly very important for the survival of the company. Organizational commitment is seen as a value orientation towards the organization which shows the individual very concerned and prioritized his work and organization. Individuals will try to give his best in order to help the organization achieve its goals. Organizational commitment is defined as "The degree to which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization" (Robbins, 2003). Furthermore, Porter et al. (1973) defines organizational commitment as an individual's relative strength to an organization and its involvement in a particular organization, which is characterized by three psychological factors: A strong desire to remain a member of a particular organization; a desire to strive for organization and confidence and acceptance of the organization's values and goals. According to Luthans (2012: 249) organizational commitment is a gesture that reflects employee loyalty on organizational results and sustainable processes in which organizational members express their attention to the organization and its success and continued progress. The success of the organization is inseparable from the role of the employees involved in it, because with good commitment, the level of productivity and quality of work will increase, and eventually will support the achievement of the goals of the organization. Based on these various factors, it is expected to trigger elements in the company organization in order to improve the performance of the SMEs. Performance is a form of work done by someone. Performance is used as a basis for evaluation and the system itself can be an important force to influence employee behavior (Robbins, 1996: 253). Performance appraisals must be continuous and runs dynamically, so as to be able to assess employees as objectively as possible. Handoko (1996: 135) states that performance appraisal is a process through which a company evaluates the performance of the organization throughout its operation.

As results, this study become essential as it examines the relationship between self-leadership, entrepreneurial orientation, and organizational commitment to the Performance of Metal SMEs in East Java Province with three considerations: Firstly, the phenomenon that occurs at this time is the existence of a strong commitment from the stakeholders towards the problem of economic growth supported by small industries, especially those engaged in the metal products sector. By looking at expansion of employment opportunities, and the distribution of public income, the problem of any management activity in the metal industry is an important thing to get attention so optimizing the ability of Human Resources is needed to improve the performance of the organization (Sara et al, 2020). This business organization is autonomous in managing all its resources, especially human resources as the ultimate resources with fundamental principles such as participatory, creative freedom and collegiality, which are highly upheld in the sense that the values of local wisdom really give direction to the success and sustainability of small industries in the region respectively (Priliandani et al, 2020), bearing in mind that Metal SMEs is a driving force for development in various regions in East Java. This business organization must be able to find the right method or strategy in its management so that this business organization can carry out its operations in a sustainable manner. Secondly, leadership in business organizations in Metal SMEs is unique and different from other leadership styles in business organizations (Bacher in Meek and Wood, 1997). Leadership with its own characteristics and supported by different cultures plays an important role for achieving success in Metal SMEs in East Java. Lastly, Industrial Revolution 4.0 emphasizes the importance of industry players, especially those engaged in Metal Products, to change the paradigm towards entrepreneurial orientation in order to be able to survive in dynamic business environment.

According to Mulyadi (2001: 337) Performance is the success of personnel, teams, or organizational units in realizing strategic goals that have been set previously with the expected behavior. Furthermore, Kaplan (2007) defines performance is the success of personnel, teams, or organizational units in realizing strategic goals that have been set previously with expected behavior. Organizational performance should be a measurable result and describe the empirical condition of an organization of various sizes. To find out the performance achieved, a performance evaluation is carried out. Thus, the organizational performance assessment (performance assessment) implies a process or evaluation system regarding the implementation of an organization's work capabilities (organization) based on certain standards (Kaplan and Norton, 1996; Lingle and Schiemann, 1996; Brandon & Drtina, 1997). Measurement of financial performance study has been conducted by Rhoades et al. (2002), and Damanpour (1991); Slovin and Sushka (1993). Performance appraisal aims to determine the effectiveness of company operations. This can be done using a method or approach. Kaplan and Atkinson (1998: 551) states that non-financial performance, measure performance using non-financial measurement units. Information used in measuring financial performance is financial information, management accounting information, and financial accounting information such as profit before tax, return on investment, and so on. In relation to performance measurement, Healy (1995) states that performance measurement is based on market performance. This has several disadvantages such as the

number of uncontrolled events. Uncertainty causes market price risk and this can also lead to uncontrolled conditions, in turn, provides invalid feedback on quality and extent related to management decision making. In addition, the use of internal performance also has weaknesses as a basis for measurement. On the contrary, internal management performance can be controlled so that basic manipulations of measurements are possible. Thus, to measure the organization's future performance, a comprehensive measure includes four perspectives is needed: financial, customer, business / internal processes, and learning and growth. Kaplan (2000) states that: The Balanced Scorecard translates the organization's vision, mission and strategy into a comprehensive set of measures that provide a framework for strategic measurement and management. In addition to continuing to emphasize financial goals, the Balanced Scorecard also includes factors that drive performance to achieve these financial goals. The Balanced Scorecard also includes factors driving organizational performance in four balanced perspectives: financial, customers, internal business processes and learning and growth. Furthermore, it can be concluded that performance of SMEs in this study defines as the ability shown by the work of the SMEs in a certain period by referring to predetermined standards measured from: financial perspective, customer perspective, internal business processes and growth and learning.

**Organizational Commitment:** Luthans (2012: 249) states that organizational commitment is: The attitude that reflects employee loyalty toward organizations and processes in which organizational members express concern for the organization's success and sustainable progress. Moorhead and Griffin (2013: 73) state that: "Organizational commitment is an attitude that reflects how far an individual person knows and bound to his organization". Apart from that, according to Greenberg and Baron (2003: 160), organizational commitment is the degree to which employees are involved in the organization and wish to remain members, which contains an attitude of loyalty and willingness of employees to work optimally for the organization where the employee works. According to Meyer and Allen (1991) organizational commitment is emotional attachment, identification and involvement of individuals with organizations and the desire to remain a member of the organization. Steers and Porter (1983: 442) define organizational commitment is an attitude in which individuals identify themselves with the goals and expectations of the workplace organization and try to maintain membership in the organization to realize the goals of the organization. Furthermore, McShane and Von Glinow (2008: 119) suggest organizational commitment is the most powerful influence, which people identify with requests and are highly motivated to do so, even when the source of motivation is no longer present. According to Meyer and Allen (1991) organizational commitment has several indicators such as: Affective commitment: that is, an emotional feeling for the organization and belief in its values; Continuous commitment: that is, the economic value that is evident from the continuity of the situation of the organization and considering the loss when leaving the organization; Normative commitment that is the obligation to continue in the organization for moral or ethical reasons.

**Self-Leadership:** self-leadership is someone who leads others to lead themselves. Self-Leadership according to Manz and Sims (1990) is leadership that designs and implements systems that teach employees or members of an organization to become leaders for themselves that focus on behavior and ideas that can be used to exert self-influence. Furthermore, Rivai (2004: 25) argues that a leader of self-leadership is someone who leads others to lead themselves. The approach consists of expanding the set of behaviors, all of which are intended to make followers have the behavioral and cognitive abilities necessary to practice self-leadership. Meanwhile, according to Manz & Sims (1990: 80) to create Self-Leadership which is part of the Superleadership can go through 3 (three) indicators, namely: Exemplary, goal setting, and appreciation. Exemplary is a learning process that occurs through observing the behavior of others. Setting goals to find out how goal setting can be used more effectively to improve employee performance. Appreciation is an award that is expected by the employee and becomes a motivator when the award is given as a consequence of several behaviors desired by the employee.

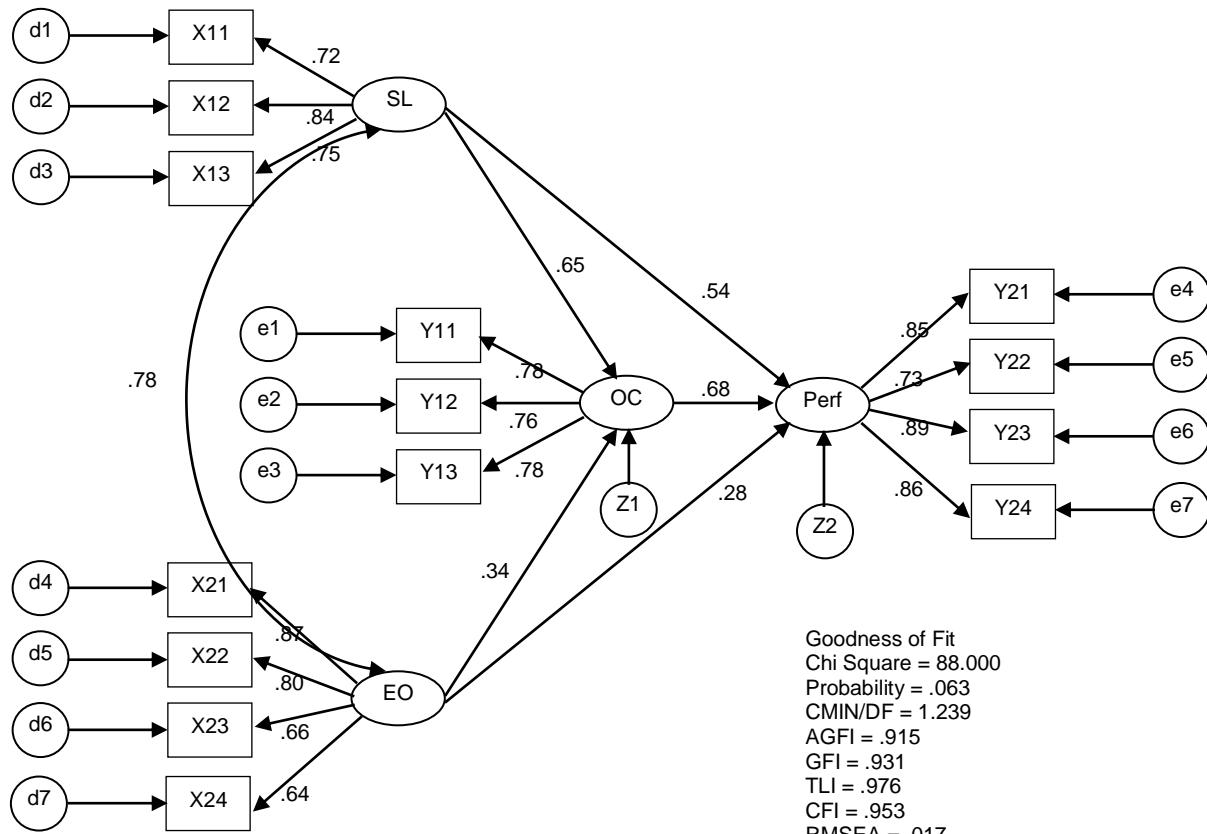
**Entrepreneurship Orientation:** Porter (2008) defines an entrepreneurial orientation as a corporate benefit strategy to be able to compete more effectively in the same market place. Entrepreneurial orientation plays an important role in improving business performance (Keh et al., 2007). While Miller and Fneseri (1982) revealed that entrepreneurial orientation became an accepted meaning to explain business performance. Entrepreneurial orientation refers to the processes, practices, and decision-making that lead to new inputs and have three aspects of entrepreneurship, namely risk taking, acting proactively and always being innovative (Lumpkin and Dess, 1996). Risk tolerance is an entrepreneurial attitude that involves his willingness to tie up resources and dare to face challenges by engaging in business strategies where the outcome is uncertain (Keh et al. 2002). Study on Entrepreneurial has increasingly developed from studies of individual traits with entrepreneurial orientation features (Morris and Kuratko, 2002; Zahra, Kuratko, and Jennings, 1999). When the twenty-first century was revealed, entrepreneurial action was seen as an important pathway for competitive advantage and improvement in organizational performance of all types, sizes, and ages (Brown, Davidsson, and Wiklund, 2001; Covin, Slevin, and Heeley, 2000; Kuratko et al., 2001). There is evidence to suggest that Entrepreneurship Organizations are positively related to various performance (Davis, Morris, and Allen, 1991; Morris and Sexton, 1996; Zahra, 1996). This study includes both objective steps obtained from organizational records (Seashore and Yuchtman, 1967) and subjective steps collected from the perceptions of organizational members and stakeholders (Campbell, 1977). Indicators of entrepreneurship orientation developed from Lee and Tsang's (2001) research consisting of Need of achievement, self-confidence, self-reliance and extroversion.

**METHOD**

This research population is small and medium enterprises engaged in the metal industry in East Java in the development of the Department of Industry and Trade of East Java Province, a number of 1,724 small and medium metal industry companies. Determination of the sample is guided by the opinion of Daniel and Terrel (1989) with an error rate of 5% - 10%, so this study uses 7% and obtained results of 153 Small and Medium Metal Industries. The analysis used in this study is SEM (Structural Equation Modeling) Analysis

**RESULTS AND DISCUSSION**

In accordance with the literature review and research objectives, the overall structural model was developed into several elements as showed below.

**Figure 1 SEM Results**

Based on AMOS 18 computation for this SEM model, generated goodness of fit indexes is presented in Table 1. Furthermore, the values of these indexes are compared with the critical value of each index. A good model is expected to have indexes of goodness of fit greater or equal to the critical value. Hypothesis testing in this study is done by looking at the p value (probability), if the p value is more than or equal to 0.05, then it is said that there is a significant effect.

**Table 2. Influence of Self-Leadership and Entrepreneurship Orientation on Performance through Organizational Commitment**

H	Exogenous Variables	Intervening Variables	Endogenous Variables	Direct Effect	P value	direct influence	total influence	Results
H <sub>1</sub>	Self leadership	Organizational Commitment	-	0.65	0.000	-	-	Accepted
	Entrepreneurial orientation	Organizational Commitment	-	0.34	0.006	-	-	
	Self leadership	-	The performance	0.54	0.017	-	-	
H <sub>2</sub>	Entrepreneurial orientation	-	The performance	0.28	0.018	-	-	Accepted
	-	Organizational Commitment	The performance	0.68	0.044	-	-	Accepted
H <sub>3</sub>	self leadership	Organizational	The	0.54	-	0.44	0.98	Accepted
H <sub>4</sub>								

Commitment	performance					
Entrepreneurial orientation	Organizational Commitment	The performance	0.28	-	0.23	0.51

Based on Table 2 shows that the variables of self-leadership and entrepreneurial orientation have p-values less than or equal to 0.05. In the form of a standardized regression coefficient of self-leadership is 0.65 and entrepreneurial orientation is 0.34. These results show that self-leadership and entrepreneurial orientation have a positive and significant effect on organizational commitment, so that the first hypothesis is statistically accepted. Self-leadership and entrepreneurial orientation have p-values less than or equal to 0.05. In the form of standardized regression coefficient, self-leadership is 0.54 and entrepreneurial orientation is 0.28. These results indicate that self-leadership and entrepreneurial orientation have a positive and significant effect on performance, so that the second hypothesis is statistically accepted. Organizational commitment has a p-value of 0.044 which is smaller than 0.05. In the form of the standardized regression coefficient, organizational commitment is 0.68. This result show that organizational commitment variable has a positive and significant effect on performance, so that the third hypothesis is statistically accepted. Organizational commitment has the status as an intervening variable that can mediate the variables of self-leadership on performance, because the value of the total influence is greater than the direct effect ( $0.98 > 0.54$ ). Entrepreneurial orientation is an intervening variable that can mediate transformational leadership variables on performance, because the value of the total influence is greater than the direct effect ( $0.51 > 0.28$ ). This means that self-leadership and entrepreneurial orientation have a significant and positive effect on performance through statistically proven organizational commitment.

Self-leadership that improve organizational commitment which is setting goals are reflected in the leadership of setting organizational objectives and provides mutual understanding of the company's goals to employees. Self-leadership is the ability of entrepreneurs to lead themselves as demonstrated by example, setting goals and rewards and punishment. Employees who possessed high self-leadership will be more committed to the organization. Self-behavior can encourage groups to regulate their activities by allowing team members to control technical variance within group boundaries. This means that individual freedom will need to work in ways that individuals find most beneficial. Self-leadership empowers employees to be able to lead themselves in the sense of whether or not there is a leader, so employees will continue to uphold the values or principles that work must be completed in accordance with the targets and the example given by the leader. This condition also shows that self-leadership will be able to bind employee commitment to work better for the company. According to Buchanan (1974) in Vandenberg and Lance (1992) said that commitment is an attitude and behavior that encourages one another. Workers who commit to their organizations will show positive behaviors and attitudes towards their organizations so that workers feel happy and comfortable at work. The findings of this study provide the implication that if the organization wants to increase employee commitment, the organization must increase appropriate leadership for employees. Organizational commitment is a mediating variable the indirect effect of leadership on performance. The results of this study support Rachmawati et al. (2018) which states that self-leadership influences organizational commitment. Entrepreneurial orientation that can form organizational commitment is openness reflected by like meeting new people, taking the initiative to start a conversation and accepting suggestions / input / criticism. Entrepreneurial orientation is a component that plays a role in developing business as seen from the owner in running his business has shown innovative behavior, proactive and dare to take risks. Innovation is a very important component in the business development effort. Without innovation, a business will be difficult to be able to compete with other companies. Business strategy is a very important component in an effort to compete with other companies by determining business strategies, including penetration strategies, market development strategies, product development strategies and diversification strategies so that eventually SMIs in carrying out business activities have been fulfilled so that the impact on employees is increasingly committed to SMEs. An entrepreneur must creative and innovative in finding and creating various ideas in managing business units as well as entrepreneurial selection and scope. This because the ideas or creativity of entrepreneurs in developing business units will have an impact on the performance of their activities. Therefore, it is necessary to have an entrepreneurial spirit that encourages one's interest to manage business units in a professional manner. The results of the study support Okta et al. (2015) which states that entrepreneurial orientation influences organizational commitment.

Self-leadership influences performance significantly. This shows that self-leadership can be able to bring themselves in accordance with the target or goal of achieving high performance. Individuals in organizations who are able to lead themselves can have a great sense of responsibility for their obligations, so they will not abandon their obligations as a member of the organization who has agreed on various stages of the strategy to achieve the goals set. Self-Leadership according to Manz (in Prussia et al., 1998) is the concept of influencing someone in achieving personal motivation and self-direction in appropriate ways as desired. The results of this study support Sahin (2011), Rahmawaty and Rochmah (2014), Muljono et al. (2015), Rachmawati et al. (2018), and Chandrasekara (2019) which stated that self-leadership influences performance. The entrepreneurial orientation described by openness is reflected when someone like meeting new people, taking the initiative to start talks and accepting suggestions / input / criticism. Entrepreneurial orientation shows the existence of SMEs in the form of courage in taking risks, making changes and embraces innovative behaviors to gain competitive advantage. Risks that may be accepted by the company are an inseparable part of environmental changes. Therefore, the strength of SMEs in Metal industry in

taking risks will encourage companies to work harder so that the level of profit can be achieved which has an impact on improving performance. The better entrepreneurial orientation owned by Metal SMEs of East Java, such as the need for achievement, self-confidence, independence and openness in running a business, will encourage business performance improvement so that the performance achieved by the business can get better. The higher entrepreneurial orientation owned by the manager will help the company create value for customers, as well as increase the ability to face competitors and market risk so that a high entrepreneurial orientation can be used as strategic steps in winning business competition. The results of this study support Karim (2007), Frank et al. (2010), Ozdemirci (2011), and Okta et al. (2015) which states that entrepreneurial orientation influences performance.

Organizational commitment is illustrated by the normative commitment reflected by having a concern for the company's future and will not leave the company, even if the company is in good or bad condition, so that it can improve performance. Employees who have a high commitment to the company tend to have better performance and will also stay longer in the company. Recognizing the importance of organizational commitment, employee commitment to the organization needs to be developed. Organizational support for increasing organizational commitment also influences employees' positive attitudes and behavior towards the organization, which results in employee satisfaction or dissatisfaction at work. Organizational support can be through positive treatments for employees, such as rewards, treatment of leaders, job characteristics or work atmosphere. The success of an organization is inseparable from the role of the employees involved in it, because with a good commitment the level of productivity and quality of work will increase, and in the end will support the achievement of organizational goals. Employees who are committed, have high loyalty, the employee will work as optimal as possible for the achievement of good performance. In addition, companies or organizations must be able to build trust, where trust is a way to create commitment. The trust of the employee will not be obtained if the employee is only treated as one of the factors of production, not as the main asset of the company. In addition, employees do not feel part of the organization if they are not valued by the organization. Organizational commitment is a form of loyalty to the organization. Loyalty is characterized by a sense of trust, a sense of acceptance, as well as a desire to maintain a position that is solely carried out to achieve predetermined goals. The objectives set in this regard are not only for the benefit of the institution, but also for the interests of those who join the organization, including employees. The results of this study support (Nurdin & Rohendi, 2016; Buangga et al 2018) who state that organizational commitment influences performance.

Self-leadership is reflected by example, setting goals, experiences and goals. Transformational leadership is reflected in the idealization of influence, inspirational motivation, intellectual stimulation, and individual consideration. The entrepreneurial orientation is reflected in the need for achievement, self-confidence, independence and openness. Self-leadership, transformational leadership and entrepreneurial orientation influence organizational commitment is described as follows: when level of leadership discipline in working to be an example for employees, Leaders provide understanding of the company's goals to employees, and Leaders reward to subordinates who excel, employees respect the leader, Leaders become motivators for employees, Leaders encourage employees to be more creative, Leaders are able to provide solutions in solving problems faced by employees and Leaders are able to create a good work environment, Leaders are able to create a good work environment, what is achieved is the result of hard work, Able to be spill / reference in every issue and Receive suggestions / input / criticism, so that in the end organizational commitment increases because Feeling to be part of the company family, will still be in the company to provide speed family economy and have concern for the company's future, which has an impact on improving performance. This research has given a theoretical meaning that organizational commitment is a mediating influence of individual leadership, transformational leadership and entrepreneurial orientation on performance. Metal SMEs of good performance can be seen from a financial perspective, customer perspective, as well as growth and learning perspective. Financial benchmarks are important, but do not adequately direct performance in creating value for the organization. The company identifies customers and market segments that will be entered. Analysis of the company's internal business processes is carried out using value-chain analysis. Management identifies critical internal business processes that the company must feature. The learning and growth perspective process identifies the infrastructure that companies must build to enhance growth and long-term performance. The learning and growth process sourced from human resource factors, systems, and organizational procedures.

## **CONCLUSION**

Based on the discussion, it can be concluded as follows:

1. Self-leadership and entrepreneurial orientation influence organizational commitment. This finding can be explained that self-leadership which is described by setting goals in the form of leadership provides an understanding of the company's goals to employees, and entrepreneurial orientation which is described by openness is reflected from receiving suggestions / input / criticism, all this can increase organizational commitment illustrated by normative commitment from have concern for the company's future.
2. Self-leadership and entrepreneurial orientation influence performance. The findings can be explained that self-leadership which is described by setting goals in the form of leadership provides an understanding of the company's goals to employees, and entrepreneurial orientation that is described by openness is reflected in receiving suggestions / input / criticism. This can improve performance

illustrated by an internal business perspective reflected by increasing the ability to fulfill customer orders.

3. Organizational commitment influences performance. This finding explains that the normative commitment illustrated by having a concern for the company's future. This can improve performance illustrated by an internal business perspective reflected in increasing the ability to fulfill customer orders.
4. Organizational commitment mediates self-leadership and entrepreneurial orientation to performance. This gives the meaning of performance in the form of an internal business perspective that can be improved if SMEs have an organizational commitment from self-leadership which is described by setting goals in the form of leadership to provide an understanding of the company's goals to employees and entrepreneurial orientation as illustrated by openness reflected from receiving suggestions / input / criticism.

Based on the results of the study and the conclusions that self-leadership and entrepreneurial orientation through organizational commitment can improve performance, the suggestions proposed in this study are as follows:

1. Theoretically :Enriching the concept of human resource management in increasing organizational commitment to improve performance.
2. Practically : To improve self-leadership, leadership should be more disciplined in working place so that it becomes an example for employees. To improve entrepreneurial orientation, Leader must be able to be a partner in every circumstances. In order for employees to have high organizational commitment, the company should create a conducive working atmosphere so that employees feel comfortable and delighted working at the company. SMEs can maintain and improve existing performance by increasing the loan funds received in order to increase capital.

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